

# Lunar Block A/S

Hack Kampmanns Plads 10

8000 Aarhus C

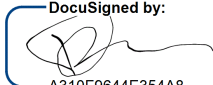
CVR no. 38 80 81 17

## Annual Report 2021

Approved at the Company's annual general meeting on 8 April 2022

Chairman:

DocuSigned by:



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*Peter Christian Andreasen*

## Contents

|   |          |
|---|----------|
| <b>Statement by Management on the annual report</b> | <b>2</b> |
| <b>Independent auditor's report</b>                 | <b>3</b> |
| <b>Management's review</b>                          |          |
| Company details                                     | 6        |
| Management's review                                 | 7        |
| <b>Financial statements 1 January – 31 December</b> |          |
| Income statement                                    | 8        |
| Balance sheet                                       | 9        |
| Statement of changes in equity                      | 10       |
| Notes   | 11       |

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Lunar Block A/S for the financial year 1 January – 31 December 2021.

The annual report is presented in accordance with the Danish Financial Statements Act.

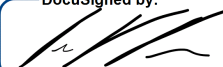
In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of its operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

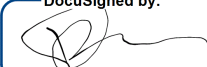
We recommend that the annual report approved at the Annual General Meeting.

Aarhus, 8 April 2022

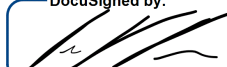
Executive Board:

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123F89EB52B94CE  
Ken Villum Guldbrandt Klausen

Board of Directors:

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Peter Christian Andreasen  
Chairman

DocuSigned by:  
*Joachim Strøjer Hansen*  
51E0614D23B7483  
Joachim Strøjer Hansen

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Ken Villum Guldbrandt Klausen

## Independent auditor's report

To the shareholders of Lunar Block A/S

### Opinion

We have audited the financial statements of Lunar Block A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

## Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 8.04.2022

DocuSigned by:



8CF1716FC124472  
Jakob Lindberg

State Authorized Public Accountant  
Identification No (MNE) mne40824

DocuSigned by:



8CF00F52655E433  
Lars Dalgaard Agersted

State Authorized Public Accountant  
Identification No (MNE) mne46258

## Company details

### The Company

Lunar Block A/S  
Hack Kampmanns Plads 10  
8000 Aarhus C

CVR no: 38 80 81 17  
Reporting period: 1 January – 31 December 2021  
Domicile: Aarhus

### Board of Directors

Peter Christian Andreasen, Chairman  
Joachim Strøjer Hansen  
Ken Villum Guldbrandt Klausen

### Executive Board

Ken Villum Guldbrandt Klausen

### Auditors

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 København S

## **Management's review**

### **Primary activities**

Lunar Block A/S is a fintech company offering banking services specifically within currency exchange and card issuance through our mobile platform.

### **Financial review**

The income statement for 2021 shows a loss of DKK 236,324 against a loss of DKK 614,090 last year, and the balance sheet at 31 December 2021 shows equity of DKK 4,636,439.

The loss for the financial year is as expected.

### **Events after the balance sheet date**

In 2022 the company name has changed to Lunar Block and will going forward develop, distribute and disseminate products within blockchain.



**Financial statements 1 January – 31 December****Income statement**

| Note | DKK   | <u>2021</u>     | <u>2020</u>     |
|------|---|-----------------|-----------------|
|      | <b>Gross profit/loss</b>                    | <b>-229,437</b> | <b>-111,643</b> |
| 2    | Staff costs                                 | 0               | 0               |
|      | <b>Profit/loss before net financials</b>    | <b>-229,437</b> | <b>-111,643</b> |
| 3    | Financial income                            | 47,812          | 0               |
| 4    | Financial expenses                          | -54,699         | -50,447         |
|      | <b>Profit/loss before tax</b>               | <b>-236,324</b> | <b>-162,090</b> |
| 5    | Tax for the year                            | 0               | -452,000        |
|      | <b>Profit/loss for the year</b>             | <b>-236,324</b> | <b>-614,090</b> |
|      | <b>Proposed distribution of profit/loss</b> |                 |                 |
|      | Transferred to retained earnings            | -236,324        | -614,090        |
|      |   | <b>-236,324</b> | <b>-614,090</b> |

## Financial statements 1 January – 31 December

### Balance sheet

| Note | DKK                                 | 2021             | 2020             |
|------|-------------------------------------|------------------|------------------|
|      | <b>ASSETS</b>                       |                  |                  |
|      | <b>Current assets</b>               |                  |                  |
|      | <b>Receivables</b>                  |                  |                  |
|      | Receivables from group entities     | 188,594          | 745,540          |
|      | Other receivables                   | 0                | 97,097           |
|      |                                     | <b>0</b>         | <b>842,637</b>   |
|      | <b>Cash</b>                         | <b>4,526,728</b> | <b>4,332,047</b> |
|      | <b>Total current assets</b>         | <b>4,715,322</b> | <b>5,174,684</b> |
|      | <b>TOTAL ASSETS</b>                 | <b>4,715,322</b> | <b>5,174,684</b> |
|      | <b>EQUITY AND LIABILITIES</b>       |                  |                  |
|      | <b>Equity</b>                       |                  |                  |
|      | Share capital                       | 580,000          | 580,000          |
|      | Retained earnings                   | 4,056,439        | 4,292,763        |
|      | <b>Total equity</b>                 | <b>4,636,439</b> | <b>4,872,763</b> |
|      | <b>Current liabilities</b>          |                  |                  |
|      | Trade payables                      | 0                | 301,921          |
|      | Other payables                      | 78,883           | 0                |
|      | <b>Total current liabilities</b>    | <b>78,883</b>    | <b>301,921</b>   |
|      | <b>Total liabilities</b>            | <b>78,883</b>    | <b>301,921</b>   |
|      | <b>TOTAL EQUITY AND LIABILITIES</b> | <b>4,715,322</b> | <b>5,174,684</b> |

- 1 Accounting policies
- 6 Contractual obligations and contingencies, etc.
- 7 Principles for intra-group trading

**Financial statements 1 January – 31 December****Statement of changes in equity**

| DKK   | <u>Share<br/>capital</u> | <u>Share<br/>premium</u> | <u>Retained<br/>earnings</u> | <u>Total</u>     |
|---|--------------------------|--------------------------|------------------------------|------------------|
| Equity at 1 January 2020                        | 500,000                  | 0                        | 986,853                      | 1,486,853        |
| Capital increase                                | 80,000                   | 3,920,000                | 0                            | 4,000,000        |
| Transfer to retained earnings                   | 0                        | -3,920,000               | 3,920,000                    | 0                |
| Transferred; see distribution of<br>profit/loss | 0                        | 0                        | -614,090                     | -614,090         |
| <b>Equity at 1 January 2021</b>                 | <b>580,000</b>           | <b>0</b>                 | <b>4,292,763</b>             | <b>4,872,763</b> |
| Transferred; see distribution of<br>profit/loss | 0                        | 0                        | -236,324                     | -236,324         |
| <b>Equity at 31 December 2021</b>               | <b>580,000</b>           | <b>0</b>                 | <b>4,056,439</b>             | <b>4,636,439</b> |

The share capital amounts to DKK 580,000 distributed on shares of DKK 1 each or multiple thereof.  
The Company does not hold own shares.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Lunar Block A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report for 2021 is presented in DKK.

#### Basis of recognition and measurement

Income is recognised in the income statement when earned, whereas costs recognised by the amounts attributable to this financial year.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

#### Income statement

##### Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and other external expenses.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost and adjustments for the financial year of other provisions.

##### Other external expenses

Other external expenses comprise expenses relating to the entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Financial income

Financial income comprises interest income from external parties as well as exchange gains.

##### Financial expenses

Financial expenses comprise exchange losses and interest cost, including interest costs on payables to group entities etc.

##### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with Lunar Group A/S and all Danish group companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

##### Receivables from group entities

Receivables from group entities are recognised at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

##### Other receivables

Other receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

**Financial statements 1 January – 31 December****Notes****1 Accounting policies (continued)****Cash**

Cash comprises bank deposits.

**Income tax payable or receivable**

Current tax payable or receivable is recognized in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

**Financial liabilities**

Financial liabilities comprising amounts owed to trade payables are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

| DKK  | <u>2021</u>   | <u>2020</u>   |
|--|---------------|---------------|
| <b>2 Staff costs</b>   |               |               |
| Average number of full-time employees  | 0             | 1             |
|  | <u>0</u>      | <u>1</u>      |
| All group staff are employed in Lunar Way A/S. The company is invoiced for the management fee, which is recognised under "Other external expenses", which is aggregated in the item "Gross profit/loss". |               |               |
| Management has made an estimated calculation of the average number of employees.   |               |               |
| <b>3 Financial income</b>  |               |               |
| Interest income  | 8,194         | 0             |
| Realised exchange gains  | 39,618        | 0             |
|  | <u>47,812</u> | <u>0</u>      |
| <b>4 Financial expenses</b>  |               |               |
| Interest expenses  | 20,041        | 0             |
| Interest expenses to group entities  | 0             | 48,432        |
| Realised exchange losses   | 34,658        | 0             |
| Other financial expenses   | 0             | 2,015         |
|  | <u>54,699</u> | <u>50,447</u> |

**Financial statements 1 January – 31 December****Notes****5 Tax for the year**

|                           |          |                |
|---------------------------|----------|----------------|
| Prior year tax adjustment | 0        | 452,000        |
|                           | <u>0</u> | <u>452,000</u> |

**7 Contractual obligations and contingencies, etc.****Contingent liabilities**

The Company participates in a Danish joint taxation arrangement in which Lunar Group A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.